



U.S. TRADE IN PERSPECTIVE

U.S. Department of Commerce, International Trade Administration, Trade Development January 2002



Trade Deficit Narrowed in November; Exports Up as Imports Declined

Recent Developments: *U.S. exports of goods and services rose \$0.6 billion to \$78.2 billion in November 2001 and imports fell \$0.9 billion to \$106.1 billion. The trade deficit was \$27.9 billion, \$1.4 billion less than October's revised data.*

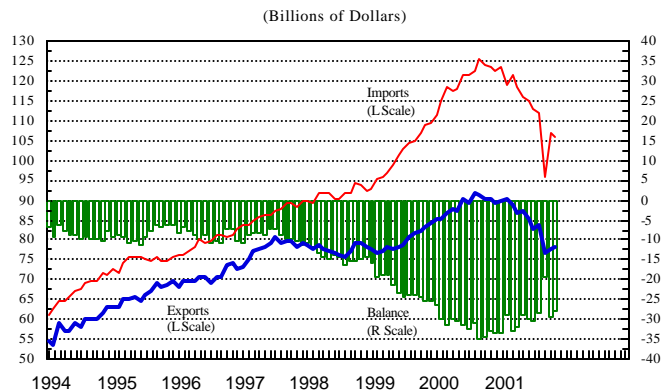
Trade Performance: Year-to-date, exports were down 5.0 percent, while imports were down 5.4 percent. The goods and services deficit was \$349.1 billion (annual rate), compared with a deficit of \$373.6 billion in the same period in 2000.

In November, U.S. exports of goods decreased \$374 million to \$56.2 billion. The October to November change reflected decreases in exports of industrial supplies and materials such as fertilizers, precious metals, and organic chemicals. Decreases were also reflected in consumer goods such as artwork, antiques, and pharmaceutical preparations.

Decreases also occurred in automotive vehicles, parts, and engines.

Merchandise imports fell \$1.45 billion to \$90.2 billion, reflecting decreases in industrial supplies and materials. Some of these goods were crude oil, organic chemicals, fuel oil, lumber, and natural gas. Decreases also were registered in capital goods, such as civilian aircraft engines, computers, and generator accessories. The trade surplus in services was \$6.1 billion in November, up from last month.

U.S. INTERNATIONAL TRADE



In the third quarter of 2001, the U.S. trade deficit was 3.0 percent of the gross domestic product (GDP). Last year, the trade deficit was 3.8 percent of GDP, and in 1999, it was 2.8 percent.

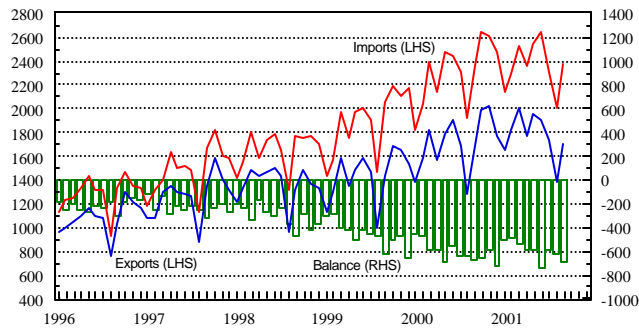
November Highlights:

- November exports to Japan (\$4.3 billion) were the lowest since May 1999 (\$4.27 billion).
- November exports to the United Kingdom (\$2.94 billion) were the lowest since July 2000 (\$2.9 billion).
- November imports from South/Central America (\$5.0 billion) were the lowest since June 1999 (\$4.8 billion).
- The November average price per barrel of crude petroleum (\$17.13) was the lowest since July 1999 (\$16.11).

Spain's economy has cooled - from its brisk growth rate of the past four years. Inflation remains moderate and unemployment has declined substantially over the past four years, though it remains still relatively high.

INTERNATIONAL TRADE

(Merchandise, Billions of Peseta)



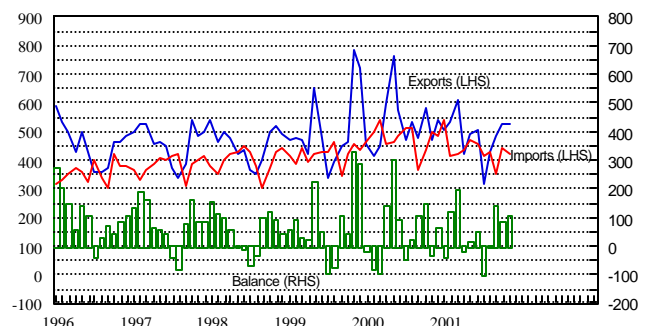
Spain's Trade with the World -

reached 37.1 trillion Peseta during the first nine months of 2001, a 7.2 percent increase over the same period in 2000. During this period, Spain's exports totaled 15.9 trillion Peseta, an increase of 8.4 percent, and imports were 21.2 trillion Peseta, an increase of 6.4 percent. As a result, Spain had a trade deficit of 5.7 trillion Peseta (annual rate) in 2001, the same as the previous year.

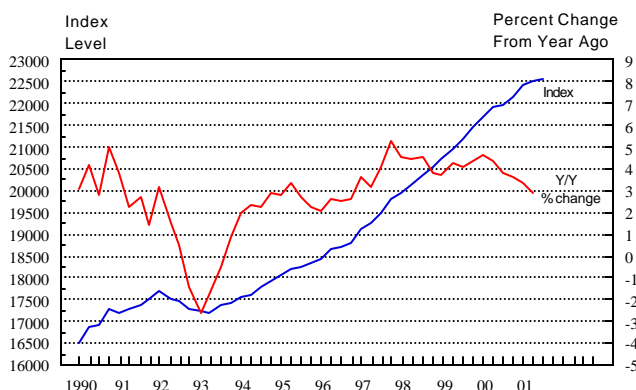
U.S.-Spain Bilateral Trade - reached \$10.1 billion during the first eleven months of 2001, a 7.7 percent decrease over the same period a year ago. During this period, U.S. exports to Spain totaled \$5.4 billion, a decrease of 7.4 percent over the same period a year ago, and U.S. imports were \$4.8 billion, a decrease of 8.3 percent. The United States had a trade surplus of \$603.5 million (annual rate). This compares to a \$597.5 million surplus in 2000.

U.S. TRADE WITH SPAIN

(Millions of Dollars)



REAL GROSS DOMESTIC PRODUCT

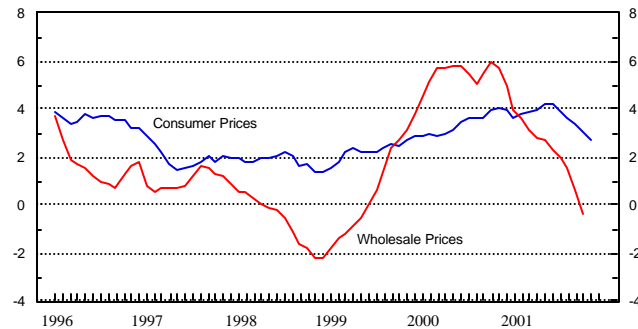


Developments in Economic Growth -

Spain's real gross domestic product in the second quarter 2001 was 2.9 percent above a year ago. This represents a slowing from the 4.4 percent growth rate of the year before, but this is still a good growth rate when compared with most of the rest of Europe.

INFLATION RATES

(Percent Change from Year Ago)

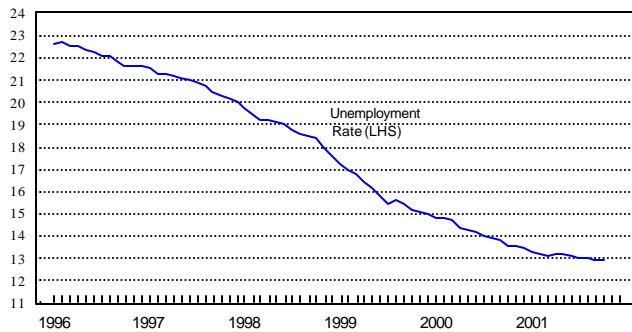


Developments in Inflation -

The year-over-year rate of consumer price inflation dipped to 2.7 percent in November 2001. Wholesale prices are a bit below year ago levels.

LABOR MARKETS

(Percent)



Developments in Labor Markets

- Despite falling from a 22 percent level in 1996, Spain's unemployment rate still hovers at a relatively high level--12.9 percent in October 2001.

Developments in Financial

Markets - Interest rates in Spain rose in the last month of 2001. Short-term rates, which dropped to 3.56 percent in November 2001, increased to 3.84 percent in December 2001. In the meantime, the stock market also moved higher. However, over the past year the Madrid General Stock Index has fallen 5.5 percent.

INTEREST RATES

(Percent)

